

MODUS, INC. & CAMPO VERDE OIL, INC.

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RECEIVED

APR 21 2015

RWQCB-CVR
FRESNO, CALIF.

April 17, 2015

Mr. Dane Johnson

Central Valley Regional Water Quality Control Board

1685 E. Street

Fresno, CA 93706

Certified Mail # 7013 3020 0000 2168 2832, Return Receipt Requested

Mr. Ronald Holcomb

Central Valley Regional Water Quality Control Board

1685 E. Street


Fresno, CA 93706

Certified Mail # 7013 3020 0000 2168 2849, Return Receipt Requested

Gentlemen;

Please be advised that with the attachments herewith, this completes the June 15, 2015 requirements for Items C & D (technical report) of your "California Water Code Directive Pursuant to Section 13267, dated April 1, 2015. Information relating to Items A & B of said directive have already been submitted to you.

Sincerely;



Mary E. Filippi

Modus, Inc. and

Campo Verde Oil, Inc.

Attachments:

Overview

Sump Location Map

List of Assessors Parcel Numbers Involved

Assessor's Map, Highlighted Areas of Sections 21 & 22

Annual Production/Effluent Fluid by year (Modus & Campo Verde)

OVERVIEW

April 17, 2015

The fluid pumped from our oil wells is on average 10,000 PPM oil and the balance waste water. Test of the waste water has shown no hazard to drinking water except for residual oil of 120 PPM, after wash tank oil/water separation.

Sumps are used to trap the residual oil by skimming off the surface of the water, of the oil.

Eventually the sumps plug off percolation of the water and the sumps have to be drained, dried and scraped. The removed oil saturated sand stored for road repair or berm reinforcement. The depth of the sumps water makes this a slow process and alternate waste disposal has to be used during the process. No longer permitted well injection, irrigation facilitated operation of oil production to continue.

Sumps, such as No. 4 that are small in area and deep with waste water do not enhance evaporation, but depend on percolation. When percolation plugs off, necessary draining and cleaning is a slow and difficult process.

To enhance evaporation and to facilitate cleaning, sump No. 7 was constructed. Sump No. 7 has 7.5 acres of area in a natural sand bed. Waste water is delivered to the sump by a water gun, that enhances evaporation and spreads the water over a large area. Water depth is never over one inch, thereby removing any hazard to wildlife and enhancing evaporation. Since the water is never more than a puddle no fencing is required. With the North end terminating to natural sloped bank, easy access is achieved.

The natural sand floor traps any residual oil and the sump is easily scraped clean with equipment. Since no water is accumulated cleaning can start immediately when water input is stopped.

We have found that waste water for irrigation with 120 PPM produces a healthy crop of oat hay.

Chad Hathaway of Hathaway Oil reports that orange groves in the White River area have been using his waste water for irrigation for thirty (30) years and the trees are very good producers of the orange crop.

In time we believe our injection well will be permitted to operate. In combination with irrigation, if permitted and sump evaporation, it may be economical for us to continue oil production.

Since Sump No. 7 is in fact not a sump, since water is not allowed to fill in any way the allotted 7.5 acres of sand bed, this approach in fact cannot be called a sump. The proper term would be an enclosed evaporation area.

In combination with evaporation area No. 7, irrigation and injection, Sumps 1 through 6 can be removed.

SUMP LOCATION MAP

FOR

MODUS, INC. and
CAMPO VERDE OIL, INC.
FILIPPI LEASE
DEER CREEK OIL FIELD
TULARE COUNTY

SW 1/4 Sec.22, T27S, R27E, MDB&M

SUMP NO. 7
(Existing but not
previously identified)

1" max. water depth
5' Freeboard

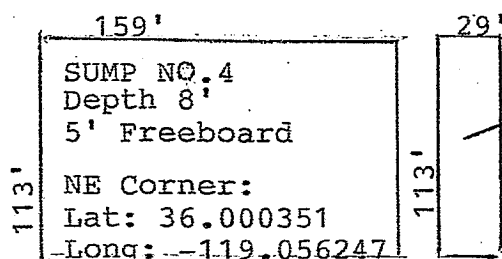
SE Corner:

Lat: 36.000828

Long: -119.053860

444'

Avenue 116



SUMP NO. 4
Depth 8'
5' Freeboard

NE Corner:

Lat: 36.000351

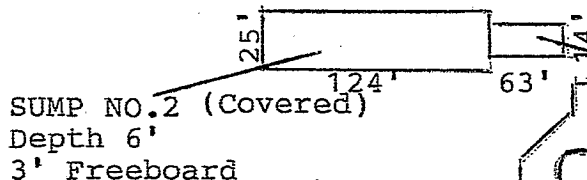
Long: -119.056247

SUMP NO. 3 (Covered)
Depth 6'
5' Freeboard

NE Corner:

Lat: 36.000347

Long: -119.056032



SUMP NO. 2 (Covered)
Depth 6'
3' Freeboard

NE Corner:

Lat: 35.999982

Long: -119.056242

SUMP NO. 1 (Covered)
Depth 6'
3' Freeboard

NE Corner:

Lat: 35.999974

Long: -119.056027

SUMP NO. 5
(Covered)
Depth 4'
5' Freeboard

SW Corner:

Lat: 35.999240

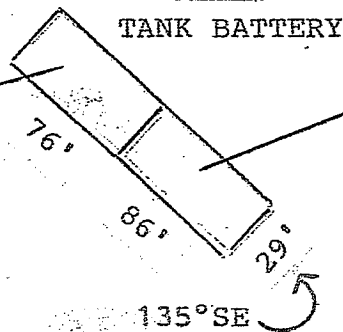
Long: -119.056145

SUMP NO. 6 (Covered)
Depth 6'
3' Freeboard

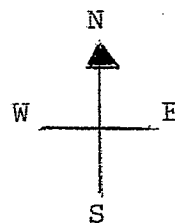
SE Corner:

Lat: 35.999058

Long: -119.055946



Road 232

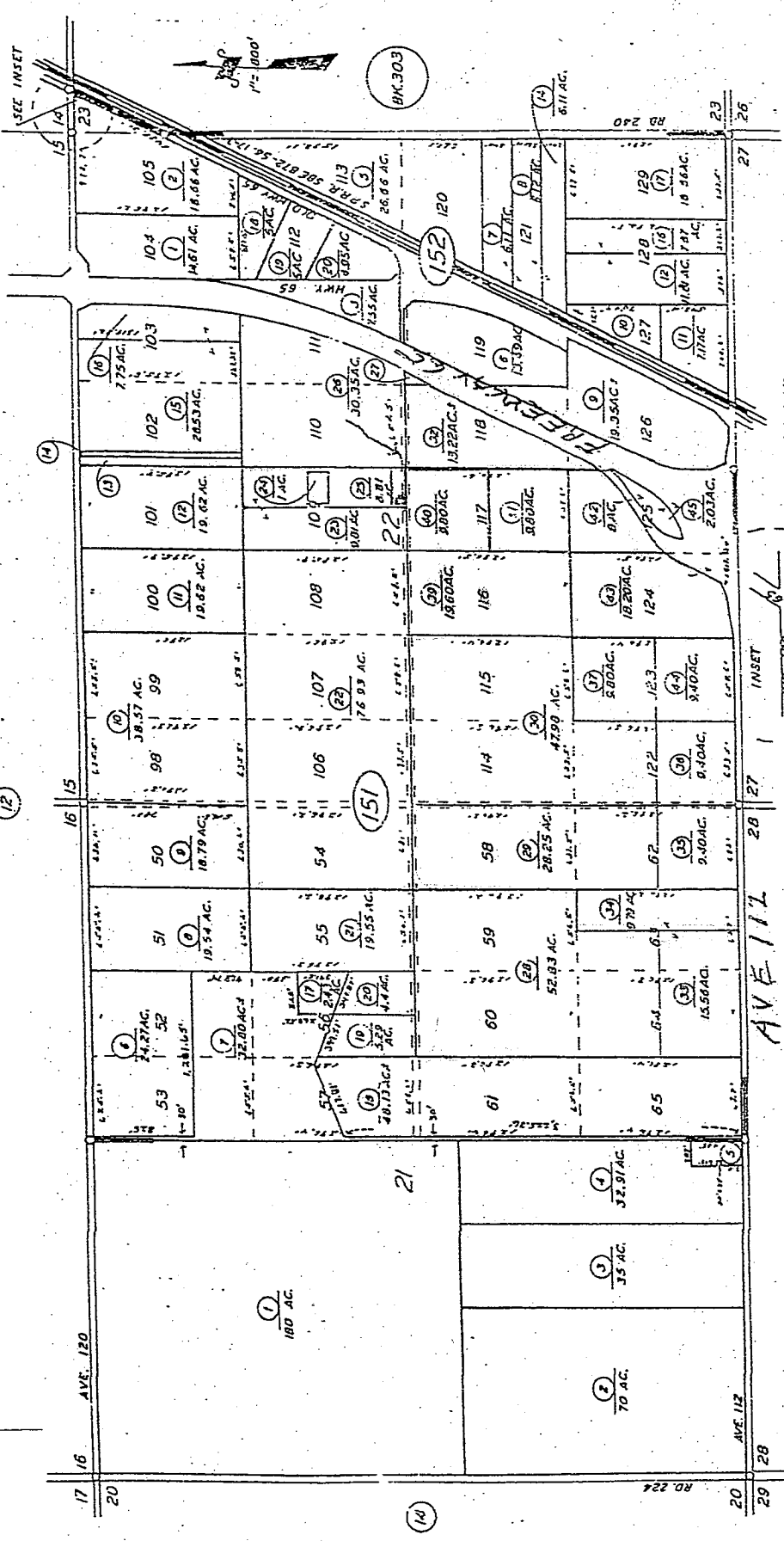


NOT TO SCALE

List of assessors parcel numbers involved: CVRWQCB, April 1, 2015 (1.C.)

Assessor Parcel #	Acreage	Description	Owner
302-350-023-000	9.81 acres	W/2 Lot 109	Silvio & Lucille T. Filippi, Inc.
302-350-024-000	58.15 acres	Lts 106,107,108	Silvio & Lucille T. Filippi, Inc.
302-360-006-000	18.20 acres	Por Lt 124	Silvio & Lucille T. Filippi, Inc.
302-360-010-000	9.8 acres	N/2 L. 117	Silvio & Lucille T. Filippi, Inc.
302-360-033-000	8.30 acres	Por Lt 117	Silvio & Lucille T. Filippi, Inc.
302-360-034-000	7.50 aces	Por Lt 125	Silvio & Lucille T. Filippi, Inc.
302-370-006-000	52.83 acres	Lts 59 & 60	Silvio & Lucille T. Filippi, Inc.
302-370-007-000	15.56 acres	Lts 63 & 64	Silvio & Lucille T. Filippi, Inc.
302-380-011-000	18.78 acres	Lt 54	Silvio & Lucille T. Filippi, Inc.
302-350-005-000	2.51 acres	M/R Lease In Por Campo Verde Col	Campo Verde Oil, Inc.
302-350-024-000	90 acres	M/R Lease In Por Campo Verde Col	Modus, Inc.
302-360-010-000	37.50 acres	M/R Lease In Por Campo Verde Col	Modus, Inc.

SEC'S 21, 22, POR SEC 23 T.22 S., R.27 E., M.D.B. & M. 302-15
 TAX CODE AREA 94-000
 1949



POR. CAMPO VERDE COLONY R.M. 7-43
 ASSESSOR'S MAPS BK. 302, PG. 15.
 COUNTY OF TULARE, CALIF.

NOTE - ASSESSOR'S BLOCK NUMBERS SHOWN IN ELLIPSES
 ASSESSOR'S PARCEL NUMBERS SHOWN IN CIRCLES

SEC'S 27 & 28 T.22 S., R.27 E., M.D.B. & M. 302-15
 TAX CODE AREA 94-000
 144-001
 144-006

MODUS, INC. & CAMPO VERDE OIL, INC.
P.O. Box 1809
Porterville, CA. 93258-1809

Annual Production/Effluent Fluid

YEAR	EFFLUENT FLUID (BARRELS)	OIL PRODUCED (BARRELS)	PRODUCER	WASTE WATER (BARRELS)
2003	17,615	921	Modus	16,694
2004	47,240	5424	Modus	41,816
2005	45,659*	4738	Modus	40,199*
		722	Campo Verde	
2006	42,553*	4873	Modus	36,970*
		710	Campo Verde	
2007	33,912*	4145	Modus	29,139*
		628	Campo Verde	
2008	73,558*	5299	Modus	67,872*
		387	Campo Verde	
2009	213,512*	10,174	Modus	203,165*
		173	Campo Verde	
2010	637,759*	8,192	Modus	629,316*
		251	Campo Verde	
2011	908,096*	9,258	Modus	898,379*
		459	Campo Verde	
2012	808,431*	8,493	Modus	799,500*
		438	Campo Verde	
2013	584,285*	8,354	Modus	575,330*
		601	Campo Verde	
2014	1,150,585*	7,228	Modus	1,142,986*
		371	Campo Verde	